

THE <sup>one</sup>  
MANCHESTER SCHOOL  
OF  
ECONOMIC AND SOCIAL  
STUDIES

VOLUME XXXIX

*Edited by*  
Professor E. V. Morgan

*Assistant Editor :* W. Peters

1971

U. of ILL. LIBRARY  
FEB 10 1972  
CHICAGO CIRCLE

*Published by the*  
DEPARTMENT OF ECONOMICS  
*of the*  
UNIVERSITY OF MANCHESTER

MADE IN ENGLAND  
ALL RIGHTS RESERVED

# CONTENTS

## No. 1. March, 1971.

Page

MARKET ELASTICITIES AND THE ESTIMATION OF EFFECTIVE PROTECTION	ROBERT H. BALLANCE	1
WAGE DETERMINATION BY SELLING PRICE SLIDING SCALES, 1870-1914 ..	J. H. PORTER	13
THE DEMAND FOR TOBACCO IN THE U.K.	M. T. SUMNER	23
SAVING, INCOME AND WEALTH : A RE-EXAMINATION OF STONE'S POST-WAR EXPENDITURE FUNCTION ..	P. C. McMAHON D. J. SMYTH	37
CAPACITY AND CAPITAL UTILISATION : A NOTE .. .. .	P. J. LUND	45
BOOK REVIEWS .. .. .		53
OTHER BOOKS RECEIVED .. .. .		68

## No. 2. June, 1971.

THE "TAX HARMONIZATION PROBLEM" IN FREE TRADE AREAS AND COMMON MARKETS .. .. .	MEL KRAUSS	71
UNEMPLOYMENT DISPERSION AS A DETERMINANT OF WAGE INFLATION IN THE U.K., 1925-1966 .. .. .	R. L. THOMAS P. J. M. STONEY	83
THE DEMAND FOR MONEY IN THE UNITED KINGDOM 1956-1967 : PRELIMINARY ESTIMATES—A COMMENT .. .. .	RAINER S. MASERA	117
THE DEMAND FOR MONEY IN THE UNITED KINGDOM 1956-1967 : PRELIMINARY ESTIMATES—A REJOINDER .. .. .	DAVID LAIDLER MICHAEL PARKIN	125
MERGER BARGAINING AND FINANCING STRATEGY .. .. .	RICHARD C. STAPLETON	131
BOOK REVIEWS .. .. .		145
OTHER BOOKS RECEIVED .. .. .		161

### No. 3. September, 1971.

Page

RECENT CHANGES IN FISCAL INVESTMENT INCENTIVES .. .. .	M. T. SUMNER	163
SOME EFFECTS OF TAXATION IN A LINEAR MODEL OF PRODUCTION ..	J. S. METCALFE I. STEEDMAN	171
VARIATIONS IN THE VALUE OF TRAVEL TIME: FURTHER ANALYSIS .. ..	M. Q. DALVI N. LEE	187
SHORT-TERM FORECASTING OF PROFITS IN THE UNITED KINGDOM: AN ECONOMETRIC APPROACH .. ..	A. D. BAIN A. M. EL-MOKADEM	205
CONSTRAINED OPTIMAL INVESTMENT DECISIONS UNDER CONDITIONS OF CAPITAL RATIONING: THE RESTRICTED BORROWING CASE ..	MURRAY L. DAVIS	221
BOOK REVIEWS .. .. .		233
OTHER BOOKS RECEIVED .. .. .		245

### No. 4. December, 1971.

DEVALUATION WHEN EXPORTS HAVE AN IMPORT CONTENT .. .. .	D. J. COPPOCK	247
DEBT MANAGEMENT AND INTEREST RATES: A RE-EXAMINATION OF THE EVIDENCE .. .. .	MICHAEL J. HAMBURGER WILLIAM L. SILBER	261
THE MONETARIST CONTROVERSY ..	RICHARD HARRINGTON	269
EXPECTATIONS, INVESTMENT AND THE U.K. GILT-EDGED MARKET—SOME EVIDENCE FROM MARKET PARTICIPANTS .. .. .	W. R. WHITE	293
THE CLASSICAL AND FACTOR-PROPORTIONS PREDICTIONS ON TRADE PATTERNS: EQUIVALENT OR NON-EQUIVALENT? .. .. .	T. ELEFThERIOU	315
A FURTHER ANALYSIS OF THE OBJECTIVES OF BRITISH MONETARY POLICY .. .. .	DELANO P. VILLANUEVA	323
A FURTHER ANALYSIS OF THE OBJECTIVES OF BRITISH MONETARY POLICY: A REPLY .. .. .	DOUGLAS FISHER	327
BOOK REVIEWS .. .. .		329
OTHER BOOKS RECEIVED .. .. .		347